

Message Text

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ACTION L-03

INFO OCT-01 EUR-25 ISO-00 EB-11 TRSE-00 FCSC-01 OMB-01

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P R 251102Z JUL 74

FM AMEMBASSY PRAGUE

TO SECSTATE WASHDC PRIORITY 6648

INFO AMEMBASSY BRUSSELS

C O N F I D E N T I A L SECTION 1 OF 2 PRAGUE 1763

E.O. 11652: GDS

TAGS: PFOR, EFIN, L/C, CZ, US

SUBJECT: CLAIMS AGREEMENT

REF: PRAGUE 1762

1. THERE FOLLOWS THE TEXT OF THE AIDE-MEMOIRE, WITH ENCLOSURES 1 AND 2, PRESENTED BY ZANTOVSKY, HEAD OF SIXTH DEPARTMENT OF MFA, TO CHARGE JULY 24.

2. AIDE MEMOIRE

NOTES OF IDENTICAL CONTENTS CONCERNING THE DELIVERY OF A FURTHER ADVANCE OF 18,400 KILOGRAMS OF MONETARY GOLD BY THE TRIPARTITE COMMISSION TO THE GOVERNMENT OF THE CZECHOSLOVAK SOCIALIST REPUBLIC HAVE BEEN TRANSMITTED TODAY TO REPRESENTATIVES OF THE REPUBLIC OF FRANCE AND THE UNITED KINGDOM OF GREAT BRITAIN AND NORTHERN IRELAND, RESPECTIVELY.

THE CONTENT OF THE TRANSMITTED DOCUMENTS IS APPARENT FROM THE ENCLOSURE. PRAGUE, 24 JULY 1974.

3. NOTE DATED JULY 24 PRESENTED TO BRITISH EMBASSY (IDENTIC NOTE WAS PRESENTED TO FRENCH EMBASSY):

NO. 113.42XURAY

ENCLOSURE: 1

THE FEDERAL MINISTRY OF FOREIGN AFFAIRES OF THE CZECHOSLOVAK SOCIALIST REPUBLIC PRESENTS ITS COMPLIMENTS TO THE BRITISH EMBASSY AND, UPON INSTRUCTION OF THE GOVERNMENT OF
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THE CZECHOSLOVAK SOCIALIST REPUBLIC, HAS THE HNOOUR TO ADVISE

THAT A DRAFT AGREEMENT BETWEEN THE GOVERNMENT OF THE UNITED STATES OF AMERICAN ON THE SETTLEMENT OF CERTAIN OUTSTANDING CLAIMS AND FINANCIAL ISSUES WAS INITIALED IN PRAGUE ON 5 JULY 1974. IN ARTICLE 7 OF THE DRAFT AGREEMENT THE GOVERNMENT TO THE GITED STATES HASHSC RRTAKEN TO INFORM, AFTER SIGNING OF THE AGREEMENT, THE TRIPARTITE COMMISSION FOR THE RESTITUTION OF MONETARY GOLD OF ITS AGREEMENT TO THE RELEASE TO THE CZECHOSLOVAK GOVERNMENT OF A FURTHER ADVANCE IN RESPECT OF ITS MONETARY GOLD IN THE AMOUNT OF 18,400 KILOGRAMS. ARTICLE 11 OF THE DRAFT AGREEMENT PROVIDES THAT THE GOVERNMENT OF THE CZECHOSLOVAK SOCIALIST REPUBLIC WILL RECEIVE THIS FURTHER ADVANCE OF GOLD IN NATURA.

IN VIEW OF ITS CERTAIN OTHER OBLIGATIONS, CONNECTED WITH THE TAKING OVER OF THE FURTHER ADVANCE OF THE GOLD AT THE SCHWEIZERISCHER BANKVEREIN AT ZURICH, THE GOVERNMENT OF THE CZECHOSLOVAK SOCIALIST REPUBLIC ASKED THE TRIPARTITE COMMISSION IN A LETTER OF 24 JULY 1974, A COPY OF WHICH IS ATTACHED, FOR SUCH PROCEDURES LEADING UP TO THE TRANSFER OF THE GOLD WHICH WOULD ENABLE THE CZECHOSLOVAK GOVERNMENT OT TRANSFER IT TO ITS ACCOUNT WITH THE ABOVE-SAID SWISS BANK AFTER THE GOLD HAS BEEN PHYSICALLY PRE-POSITIONED IN THAT BANK.

THE GOVERNMENT OF THE CZECHOSLOVAK SOCIALSIT REPUBLIC WISHES TO EXPRESS ITS CONVICTION THAT THE GOVERNMENT OF GREAT BRITAIN WILL IN VIEW OF ITS PREVIOUS CONSENT TO THE RELEASE OF THE GOLD TO THE GOVERNMENT OF THE CZECHOSLOVAK SOCIALIST REPUBLIC FIND IT POSSIBLE TO GIVE SUCH AN INSTRUC-TION TO ITS REPRESENTA-TIVE IN THE TRIPARTITE COMMISSION THAT WOULD MAKE IT POSSIBLE FOR THE COMMISSION TO MEET THIS REQUEST OF THE GOVERNMENT OF THE CZECHOSLOVAK SOCIALIST REPUBLIC.

UPON INSTRUCTION OF THE GOVERNMENT OF THE CZECHOSLOVAK SOCIALIST REPUBLIC, THE FEDERAL MINISTRY OF FOREIGN AFFAIRS HAS THE HONOUR TO ADVISE IN THIS CONNECTION THAT IN THE COURSE OF THE CZECHOSLOVAK-AMERICAN NEGOTIATIONS ON THE ABOVE-MENTIONED DRAFT AGREEMENT THE CZECHOSLOVAK GOVERNMENT CONFIDENTIAL

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RECEIVED CONFIRMATION THAT THE GOVERNMENT OF THE UNITED STATES OF AMERICAN IS AGREEABLE TO PROCEDURES UNDER WHICH THE CZECHOSLOVAK GODL WILL BE PHYSICALLY DELIVERED BY THE TRIPARTITT COMMISSION TO AN INSTITUTION AT ZURICH ACCEPTABLE TO THE COMMISSION AND/OR TO THE GOVERNMENT OF THE CZECHOSLOVAK SOCIALIST REPUBLIC. THE GOVERNMENT OF THE CZECHOSLOVAK SOCIALIST REPUBLIC REGARDS AS ACCEPTABLE FOR THE PURPOSE SCHWEIZERISCHER BANKVEREIN AT ZURICH.

THE FEDERAL MINISTRY OF FOREIGN AFFAIRS AVAILS ITSELF OF
THIS OPPORTUNITY TO RENEW TO THE BRITISH EMBASSY THE ASSURANCES
OF ITS HIGHEST CONSIDERATION.

PRAGUE, 24 JSTY 1974.

4. LETTER ATTACHED TO NOTE TO BRITISH
AND FRENCH EMBASSIES, DATED BRUSSELS, JULY 24, 1974, AND
SIGNED BY CZECHOSLOVAK AMBASSADOR IN BRUSSELS:

THE TRIPARTITE COMMISSION FOR THE RESTITUTION OF
MONETARY GOLD
50, AVENUE DES ARTS
BRUSSELS

GENTLEMEN:

IT IS THE UNDERSTANDING OF THE CZECHOSLOVAK GOVERNMENT
THAT, AT SOME FUTURE DATE TO BE AGREED UPON, THE TRIPARTITE
COMMISSION FOR THE RESTITUTION OF MONETARY GOLD WILL HOLD

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ACTION L-03

INFO OCT-01 EUR-25 ISO-00 EB-11 TRSE-00 FCSC-01 OMB-01

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P R 251102Z JUL 74

FM AMEMBASSY PRAGUE

TO SECSTATE WASHDC PRIORITY 6649

INFO AMEMBASSY BRUSSELS

C O N F I D E N T I A L SECTION 2 OF 2 PRAGUE 1763

AT DISPOSAL OF THE CZECHOSLOVAK GOVERNMENT, ON INSTRUC-
TIONS FROM THE GOVERNMENTS OF THE UNITED STATES OF
AMERICA, THE UNITED KINGDOM OF GREAT BRITAIN AND NORTHERN
IRELAND AND THE REPUBLIC OF FRANCE, CONSTITUTING THCOMMIS-
SION, A QUANTITY OF FINE GOLD AMOUNTING TO 591,573.652 --
FIVE HUNGRED AND NINETY-ONE THOUSAND, FIVE HUNDRED AND SEVENTY
THREE. 652 -- TROY OUNCES OR 18,400 -- EIGHTEEN THOUSAND,
FOUR HUNDRED. 000 -- KILOGRAMS OF FINE GOLD.

IT IS LIKEWISE THE UNDERSTANDING FO THE CZECHOSLOVAK GOV-

ERNMENT THAT, IF THE USUAL PROCEDURE WERE FOLLOWED, THE ABOVE-MENTIONED QUANTITY OF GOLD WOULD BE DELIVERABLE PARTLY AT THE FEDERAL RESERVE BANK OF NEW YORK AND PARTLY AT THE BANK OF ENGLAND.

HOWEVER, THE CZECHOSLOVAK GOVERNMENT DESIRES, AND HEREBY FORMALLY REQUESTS THAT THE GOLD WHICH WILL BECOME AVAILABLE IN ITS FAVOUR SHOULD FIRST BE PHYSICALLY PRE-POSITIONED AT THE SCHWEIZERISCHER BANKVEREIN AT ZURICH IN AN ACCOUNT TO BE OPENED IN THE NAME OF THE TRIPARTITE COMMISSION AND DELIVERED TO THE CZECHOSLOVAK GOVERNMENT THEREAFTER, IN ACCORDANCE WITH A PRECEDURE TO BE AGREED UPON.

THE CZECHOSLOVAK GOVERNMENT IS AWARE THAT THIS OPERATION WILL ENTAIL DISBURSEMENTS IN RESPECT OF HANDLING, AIR TRANSPORT, INSUREANCE AND OTHER CHARGES. IT HEREBY UNDERTAKES TO MEET ALL CHARGES WHATSOEVER ARISING OUT OF THE SAID OPERATION AND, FOR THAT PURPOSE, WILL TRANSMIT RESPECTIVE CONFIDENTIAL

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CHECKS IN AMOUNTS THAT WILL BE STIPULATED WITH THE UNDERSTANDING THAT THESES SUMS ARE TO BE USED TO COVER THE COSTS OF THE OPERATION INVOLVING TRANSFERS FROM THE DEFERAL RESERVE BANK OF NEW YORK AND THE BANK OF ENGLAND TO THE SCEWEIZERISCHER BANKVEREIN AT ZURICH.

THE CZECHOSLOVAK GOVERNMENT WILL ALSO COVER FROM SEPARATE FUNDS ANY CHARGES FOR THE ACCOUNT OR ACCOUNTS TO BE ESTABLISHED IN THE SCHWIEZERISCHER BANKVEREIN AND ANY OTHER EXPENSES THAT BANK MAY HAVE IN CONNECTION WITH THIS OPERATION. THE CZECHOSLOVAK GOVERNMENT ASSUMES THAT A FINAL ACCOUNTING WILL BE MADE AFTER THE OPERATION IS COMPLETED, WITH DEBITS OR CREDITS TO BE MADE BY MUTUAL AGREEMENT.

THE CZECHOSLOVAK GOVERNMENT IS PREPARED TO SEND ITS DULY EMPOWERED REPRESENTATIVES TO BRUSSELS, AT THE NEAREST DATE CONVENIENT TO THE TRIPARTITE COMMISSION, TO DISCUSS ALL QUESTIONS RELATING TO THE PHYSICAL TRANSFER AND THE SUBSEQUENT RELEASE OF A FURTHER ADVANCE OF THE MONETARY GOLD.

ACCEPT, GENTLEMEN, THE ASSURANCES OF MY HIGHEST CONSIDERATION.

(SIGNED) VLADIMIR KOUCKY, AMBASSADOR OF THE CZECHOSLOVAK SOCIALIST REPUBLIC.

5. ORIGINAL TEXTS BEING POUCHED TO DEPARTMENT.
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